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# Second country cooperation framework for Belize (2002-2006)

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## Introduction

1. The second country cooperation framework (CCF) for Belize for the period 2002-2006 represents the joint strategy of the Government of Belize and UNDP for working in partnership towards sustainable human development in Belize. It outlines areas in which UNDP can most effectively focus its resources, taking into consideration the country's needs, the Government's priorities, the United Nations Common Country Assessment (CCA), the UNDP strategic results framework (SRF) for Belize, the input of stakeholders in civil society and the private sector, and the comparative advantages of UNDP in promoting sustainable human development.

## I. Development situation from a sustainable development perspective[1]

### Changing demographics

2. Independent only since 1981, Belize is still a young nation striving to promote the sustainable development of its people in the context of increasingly complex national, regional and global challenges. The 2000 population census shows a total population of approximately 250,000 with a fairly equal urban/rural distribution. The census also shows a rapid growth rate of 2.6 per cent, a very young population in which 61 per cent is below the age of 24, and continuing rapid changes in the makeup of the multi-ethnic and multi-lingual country. The majority of the estimated 40,000 political and economic migrants who came to Belize in the 1980s and 1990s have remained, and smaller numbers of economic migrants continue to flow in. This influx, coupled with the historic emigration of tens of thousands of Belizeans to North America, is a significant cause of the proportional rapid growth of the Mestizo- and Spanish- speaking population.

### Economic developments

3. Belize's small economy continues to be characterized by a relatively narrow productive base, and high dependence on the export of a narrow range of primary agricultural products (sugar, bananas and citrus). Gross domestic product (GDP) grew significantly from 1.5 per cent in 1998 to 10.4 per cent for 2000, fuelled by large capital inflows for housing and road construction, as well as investments in the agriculture and fisheries sector. The trade deficit continues to expand even in the context of noteworthy increases in exports earnings. International borrowing has grown over the past five years and debt servicing in 2000 was 10.6 per cent of GDP.

4. Economic diversification remains a primary government policy, and tourism, offshore banking, niche market agriculture and aquaculture are the priority alternative economic activities being promoted. The Government also continues to pursue a policy of privatization of national assets, with the water services being the most recent example. The official unemployment rate has remained in the 12-14 per cent range, with the highest rates being among women, and youth.

### The globalization challenge

5. As preferential trade agreements are phased out for Belize's traditional exports and as the move toward trade liberalization accelerates, Belize is placing greater emphasis on issues of integration and globalization. While Belize continues to expand its participation in Caribbean Community (CARICOM), it has also increased its participation in Central American integration initiatives. Most significantly, in 2000 Belize became a full member of Central American Integration System (SICA) and is participating in the Plan Puebla-Pamana. However, national capacity to manage integration in these and other regional movements is acknowledged to be weak.

[1] Data for this section taken from the *Common Country Assessment, The Abstracts of Statistics: 2000, National Human Development Report: 2000, The Medium Term Economic Development Plan: 2000, and The Poverty Assessment Report, Population Census: 2000.*

**The social sector**

6. In spite of macroeconomic growth and advances in such areas as housing availability, and some improvements in basic social indicators, structural inequities remain in the social sector. General health indicators for Belize have shown improvement over the years, particularly in the areas of life expectancy and infant mortality. However, disparities, especially in the areas of access to services, health promotion and disease prevention, are still evident among regions, social groups and gender despite these fundamental advances. Presently, health reform initiatives such as a pilot National Health Insurance programme are intended to increase equitable access, decentralize management and target prevention.

7. Belize has also made some progress in increasing access to primary and secondary schooling and improving the quality of the educational experience the student receives while in school. However, there remain considerable operational inefficiencies in the educational system, which, if rectified, could significantly lower the unit cost of education at both primary and secondary levels. Low levels of educational attainment for lower income groups such as youth and female heads of households have meant continuing poverty, owing to the inability to take advantage of social and economic opportunities to increase productivity. The Ministry of Education has estimated adult literacy at 75.1 per cent, based on school completion rates, while the Literacy Council has estimated the adult functional literacy rate at 42.5 per cent based on a reading and comprehension survey.

8. Despite noticeable strides in gender equality in Belize, especially in the area of educational parity and some improvement in economic empowerment, gender roles remain within an entrenched male-dominated culture, which inhibit true gender equity from occurring. With approximately 61 per cent of Belize's population under the age of 24, youth are also an extremely vulnerable social group.

9. Crime in Belize has intensified both in terms of frequency and severity over the last decade and is now acknowledged to be at near crisis proportions. This heightened degree of violence has been attributed to dysfunctional families, youth unemployment, the increased availability of weapons and the abuse of drugs and alcohol. The institutional weaknesses of state institutions and lack of sustained coordination among all sectors limit the execution of an effective national response to this reality.

**Poverty elimination**

10. The Government of Belize's economic development strategy for the 1998-2003 period focuses on poverty elimination through private-sector-led economic diversification and growth, and improved access to quality basic services. The most recent poverty figures revealed that 25.3 per cent of households or 33 per cent of the population fell below the poverty line of $643 per annum. Of the population defined as poor, 13.4 per cent were deemed to be indigent or extremely poor. Of these, both urban and rural centres have deep pockets of poverty that demand that poverty elimination strategies be multifaceted. A National Poverty Elimination Strategy and Action Plan were developed in 1998 with UNDP support. It is widely accepted that poverty remains the central national challenge in 2002 and beyond.

**HIV/AIDS**

11. Belize presently has highest per capita HIV/AIDS infection rate in Central America and one of the highest in Latin America and the Caribbean. The HIV/AIDS infection rate is estimated at 4 per cent within the population of 15-44 year olds and 2.1 per cent within the general population. The gap between the infection rate for men and women is narrowing as more women are steadily contracting HIV and AIDS. The age group most at risk for infections of both HIV/AIDS and other sexually transmitted diseases are between ages 20 and 44 years old, considered to the most productive years. HIV/AIDS is therefore a major national challenge as it threatens the stability and productive capacity of the labour force and contributes to poverty.

**Natural and environmental vulnerability**

12. Belize is known regionally and internationally as a nation that has done much to manage its natural resources in a sustainable manner. 45 per cent of its total land mass is under protected area status. Key remaining environmental challenges include over exploitation of marine resources, solid waste management, sustainable energy sources, and increasing pressures for land degradation. In the 1998-2001 period, Belize's extreme vulnerability to hurricanes was exposed. Hurricane Mitch skirted Belize in 1998 but Hurricanes Keith and Iris caused damages estimated at over $500 million in 2000 and 2001. The agricultural- and tourism-based economy of Belize was severely affected, highlighting that Belize's major income earners are highly vulnerable to natural disasters and on environmental conditions. Thousands of homes were destroyed or damaged and people's livelihoods negatively affected. Hurricane and disaster preparedness in Belize, while improving, still needs strengthening. This is especially true at the local and community levels.

**Governance and democracy**

13. The last National General Elections in 1998, won by the People's United Party (PUP), was the fourth peaceful change of government since independence in 1981. The issue of democratic governance has been high on the national agenda since 1994, when civil society organizations initiated a political reform process to address citizens' calls for decentralization of political powers, more transparency and accountability in government, and more people's participation in political processes. Consequently, the Government of Belize has been engaged in implementing a series of reforms and constitutional amendments. Key among these are measures taken to enhance the independence of the judiciary and to make the Senate more representative by inclusion of civil society and private sector groups. However, decentralization, enhancing participation and public sector accountability remain key ongoing challenges.

**Civil society as partners in development**

14. After a decade of advocacy, civil society organizations (CSOs) are accepted as major actors that continue to influence policy and practice in all key thematic areas. In an effort to demonstrate partnership with CSOs, the Government of Belize has established a Ministry of Civil Society, passed a law governing non-government organizations (NGOs) and holds quarterly meetings between the Prime Minister and members of the Belize Civil Society Movement. However, the capacity of CSOs' to take full advantage of this and other openings for policy dialogue and influence remains limited by a serious shortage of human and financial resource capacity, and ineffective mechanisms for policy influence.

## II. Results and lessons of past cooperation

15. In the first CCF, which covered the period 1997-2001, programme activities were organized around two areas: (a) conservation and regeneration of the environment and (b) poverty elimination and community development.[2]

### A. Conservation and regeneration of the environment

16. In the 1997-2001 CCF period, the majority of project funds mobilized were for the environmental programme area. The UNDP environment programme has made an overall positive impact on environmental development of Belize, in areas of policy and strategy development, signing of international conventions, establishing and managing protected areas, community participation, environmental awareness, linking the environment

[2] The information and analysis for this section are based on a review of Tripartite Reports, the evaluation of the first phase of the Coastal Zone project, the *Report of the First Annual Meeting of UNDP/GEF Project Managers:2001*, a meeting of UNDP and CSOs, the second CCF stakeholders consultation, and interviews of key UNDP partners.

to poverty elimination, and enhancing regional approaches to environmental sustainability. Because of the major focus of UNDP on this area of sustainable development, the Government, CSOs and international development agencies perceive UNDP as one of the lead agencies supporting environmental activities in Belize.

**National projects**

17. In the first CCF period, UNDP-Belize was successful in attracting Global Environment Facility (GEF) funds to nationally executed projects. The full-size Coastal Zone Management Project has established a Coastal Zone Management Institute and Authority and developed several policies and strategies for management of marine resources. The medium-size Community Co-Management Project has helped to develop a framework for community co-management of protected areas and to systematize the process of building local capacity for natural resource management. Other national projects in the period include: a successful GEF/Small Grants Programme (SGP); a new Community Co-management of Protected Areas (COMPACT) programme, supported by the United Nations Foundation; support to the development of a National Biodiversity Strategy; and a recycling of refrigerants project.

**Regional projects**

18. UNDP has also participated in regional projects in Central America. It provides administrative and programme monitoring inputs to the national programme of the Mesoamerica Biological Corridor Project. In 2001, UNDP also successfully lobbied to administer the major World Bank/GEF project, the Mesoamerican Barrier Reef System. This is the first Central American regional environmental project with headquarters in Belize with strong UNDP administrative involvement.

## B. Poverty Elimination and Community Development

19. While the funds disbursed in this programme area were less, the impact of the projects and activities have been significant in the context of Belize's small size. The majority of UNDP core funds were directed toward implementing the four-year Sustainable Human Development Project that worked to enhance the capacity of local leaders to build democracy through local governance and community development. The project promoted the development of new community development methodologies, successfully advocated for decentralization of village councils and placed the concept of sustainable human development on the national agenda.

20. In addition to gaining prominence by successfully promoting the concept of sustainable human development, UNDP individually, or through inter-agency cooperation, has provided funding and technical assistance to key human development bodies such as the National Human Development Advisory Council (NHDAC), and the National AIDS Commission (NAC). Significant results of these strategic partnerships include the development of a National Poverty Elimination Strategy and Action Plan, publication of three *National Human Development Reports*, commencement of a process to develop a long-term national human development agenda for Belize, strategic support for the development and implementation of several activities to address the HIV/AIDS situation in Belize, and institutional strengthening of NHDAC.

**Responding to hurricane emergencies**

21. The effects of four major hurricanes in three years have ensured that disaster management has become a major national issue. In each of these disasters, UNDP has improved its ability to prepare and respond quickly to assist the Government and people of Belize with immediate relief and longer-term rehabilitation. This included support for a successful training exercise of community leaders in

disaster management in conjunction with the Belize Red Cross and the Government of Belize. In partnership with the United Nations Children's Fund and the Pan-American Health Organization/World Health Organization, on the United Nations Disaster Management Team, UNDP has participated in fine-tuning the United Nations emergency response mechanism in Belize.

## C. Key lessons of past cooperation

### Programme implementation

22. In the area of programme implementation, environmental projects have had significant impact in terms of protecting the environment. However, the need was identified to establish greater linkages between the environment and poverty reduction, and become more effective in coordinating actions around policy influence. The Government and some in civil society see UNDP as being well poised to become more involved in giving policy advice in key areas.

23. Focusing financial and technical resources on national policy bodies has proven to be a successful strategy for influencing policy and practice in sustainable human development in Belize. Project implementation indicates that future projects need to continue to encourage national execution, self-reliance and project sustainability, as well as to develop national capacity for quality project preparation and delivery.

24. The UNDP strategic partnership-building with Coos that began in 2001 has already contributed to an improved and more balance image.

### Programme management

25. In small States like Belize, with a small amount of well-targeted resources UNDP can have a high impact and value added as well as attract other counterpart funds. Government and international development agencies perceive UNDP as a facilitator across sectors and an effective partner in development, so that recommendations for co-financing and third-party financing, especially for poverty elimination initiatives, are generally well received.

26. Inter-agency coordination has improved with the establishment of a United Nations House, the sharing of administrative services and intra-office communications.

27. UNDP-Belize can survive decreasing core resources through growing administrative fees from targeted cost-sharing from more projects and through Government Contribution to Local Offices increases.

28. As a sub-office of El Salvador, the UNDP-Belize office has successfully met the unique challenges in administration, representation and decision-making. The recent streamlining and decentralizing of some roles indicate results in more efficiency and fewer bottlenecks.

## III. Objectives, programme areas and expected results

### The UNDP strategic focus for 2002-2006

29. Sustainable human development remains the ever-present overarching goal. While the second CCF for Belize will continue the momentum of supporting some downstream activities, the strategic shift in the period will be towards the upstream, with more outputs targeted at identifying policy and planning alternatives and national capacity building for policy formulation and influence. The strategy of capacity-building will be institutionally focused and will encompass both the enhancement of technical competencies and increasing the effectiveness of coordinating institutions and collaborative mechanisms. This will translate into UNDP supporting more activities that result in UNDP giving policy advice, providing low-cost but high-value technical assistance, participating in advisory or policy-creating entities, promoting advocacy, facilitating participatory approaches and building creative partnerships among key stakeholders in national development.

30. The Belize country programme will emphasize the goal areas of poverty reduction, democratic governance, and environment through three programme areas: (a) social policy and planning for poverty reduction; (b)

promotion of democratic governance; and (c) sustainable management of environmental resources.

31. The country programme will also forge a more strategic link between the above-mentioned major programme areas and the cross-cutting issues that bridge them. These include HIV/AIDS, gender equity, youth, crisis management, human security, and human rights. UNDP-Belize also plans to build on its existing partnership relations with key government ministries and international agencies, growing relations with civil society, and on the potential for better relations with the private sector and academic institutions.[3]

## A. Social policy and planning for poverty reduction

32. Urban and rural poverty reduction is one of the highest priority for the Government of Belize. The Government, as does UNDP, recognizes that poverty is linked to other social concerns, such as youth unemployment, crime and violence, gender inequity and HIV/AIDS, as well as to economic issues such as globalization and lack of economic opportunity. UNDP Belize has identified the need for alternative social policies and long-term participatory social planning to be promoted and integrated into national poverty reduction and wider human development strategies and initiatives. The main objectives under this programme area are to provide technical assistance on sustainable human development policy formulation to relevant state and non-state partner agencies; enhance necessary technical competencies within relevant state and non-state partner agencies for the execution of poverty reduction initiatives in both urban and rural areas; enhance technical competencies and dialogue mechanisms within relevant state and non-state agencies, in order to manage integration into the global economy; increase the organizational and policy development effectiveness of state and non-state agencies involved in the HIV/AIDS epidemic in Belize; and facilitate the integration of youth development initiatives into poverty reduction and wider human development initiatives.

33. In particular, UNDP will seek to give support to activities that: (a) provide ongoing technical and financial assistance to national development policy formulation and advisory bodies, particularly those responsible for human development and poverty policies and initiatives; (b) monitor and assess the impact of globalization and its effects on sustainable human development, through the development of *National Human Development Reports* and other evaluative policy research documents; (c) provide technical assistance, policy advice, and resource mobilization services for policy development and advocacy on specific areas of globalization and sustainable human development; (d) provide technical and financial assistance for policy advice and public education to reduce the incidence of HIV/AIDS; (e) promote and support national youth development initiatives, especially enterprise development programmes.

34. The key partners of UNDP in this programme area will be the National Human Development Advisory Committee, the Ministry of Economic Development, the Ministry of Human Development, Women and Civil Society, the Ministry of Rural Development, academic institutions, the Association of National Development Agencies, the National AIDS Commission, the Youth Department and selected international development agencies.

35. Expected results will be: (a) increased use by decision-makers of sustainable human development concepts in policy formulation and implementation; (b) improved national anti-poverty strategies developed through a multisectoral process; (c) institutional capacity built to plan and implement multisectoral strategies to limit the spread of HIV/AIDS and mitigate its social and economic impact; (d) national capacity built for the execution and management of poverty elimination programmes and projects; (e) a sustained national programme for youth development and crime reduction; and (f) national policies that address more effectively the social impact of economic liberalization.

## B. Democratic governance

36. While there have been improvements in democratic governance related to the Government's programme of political reform, challenges remain. One major challenge to democratic governance is the low level of human resource capacity for policy

[3] In developing the programme areas, objectives and expected results, the SRF for Belize (2000-2003) was a key source document. In particular, the outcomes and partnership strategy of the SRF are integrated in the expected results and key partner sections of the CCF.

influence, development and monitoring, as well as limited human resource capacity for programme and project execution and management. The main objectives are to: promote the strengthening of democracy through strong Government-civil society partnerships in policy development and monitoring; promote the participation of citizens and citizen groups in democratic governance; and promote political reforms that lead to greater decentralization and transparency in governance.

37. UNDP will seek to support activities in this area that: (a) promote the development of more formal mechanisms of coordination between CSOs and the Government of Belize, (b) enhance the capacity of strategic CSOs to influence policy development and monitoring in areas such as trade and globalization, poverty elimination, democratic governance and crime reduction; (c) promote political reforms that enhance transparency and public sector effectiveness; and (d) promote further decentralization of local governance.

38. The main partners of UNDP will be the Ministry of Economic Development, the Ministry of Rural Development, the Ministry of Human Development, Women and Civil Society, the Ministry of Agriculture, the National Mayors Association, the Association of Village Council Leaders, the Association of National Development Agencies and the Belize Civil Society Movement, and selected international agencies.

39. Expected results for this area of development are: (a) a formal collaboration mechanism developed to build partnerships between the Government and CSOs; (b) government and civil society capacity for programme and project planning, implementation, management and monitoring enhanced; (c) political decision-making that includes active civil society and community participation; (d) greater accountability in public institutions; and (e) more effective local government bodies.

## C. Sustainable management of environmental resources

40. Sustainable use of the environment was the Government's main area of support with UNDP assistance during the first CCF. In the 2002-2006 period, the Government places priority on continuing to work with UNDP in supporting existing programmes and creating a clearer link between the environment and poverty towards sustainable human development. Additionally, because climatic conditions have increased Belize's environmental vulnerability to natural disasters, more emphasis will be placed on crisis prevention and recuperation. The objectives of this programme area are to. promote sustainable management of Belize's environmental resources; promote greater linkages between environmental programmes and poverty reduction; promote Belize's participation in regional environmental activities; and enhance national capacity to manage crisis prevention and recuperation initiatives.

41. During the period of the second CCF, UNDP will provide support to activities that: (a) ensure effective completion of the current and pipeline projects;[4] (b) forge stronger links between its environmental projects and poverty reduction; (c) promote development of a mechanism for national policy development in natural resource management; (d) develop national capacity to manage shared regional natural resources; and (e) facilitate further integration of local communities and civil society in the national disaster response mechanism.

42. Key partners will include the Ministry of Natural Resources, the Ministry of Agriculture and Fisheries, the Ministry of Rural Development, The Belize Red Cross Society, the Association of Village Council Leaders, the Belize Civil Society Movement, the National Emergency Management Organization (NEMO), academic institutions, the Belize Association of Conservation Non-Government Organizations, and the Commission of Central America for Environment and Development.

43. Expected results are: (a) a comprehensive approach to environmentally sustainable development integrated in national development planning and liked to poverty reduction; (b) the enhancement of community capacity to co-manage

[4] Significant projects that will carry over in to the second CCF period include the GEF/SGP, the Sustainable Development and Management of Biologically Diverse Coastal Resources, Community Co-Management of Protected Areas, and the Mesoamerica biological and reef projects.

protected areas; (c) improved regional capacity to coordinate and harmonize environmental policies; (d) local community and civil society's formal integration into the national disaster response mechanism.

## IV. Management arrangements

### Resource mobilization

44. UNDP has, over the years, developed its ability to use its core resources as seed funds to mobilize counterpart and third-party resources for programme implementation. This approach will be even more important in the second CCF as UNDP-Belize further adapts to limited core resources. Therefore, intensive efforts will be made to dialogue with the Government, civil society and international organizations to design and implement relevant projects that have distinct possibilities for cost-sharing. Additionally, UNDP-Belize will seek to utilize the new thematic trust fund mechanism, as well as develop and manage policy-oriented development services locally. One central strategy will be to have a more equitable balance of funds across the three programme areas.

### Programme management and evaluation

45. UNDP-Belize will continue to receive administrative and programme development support from UNDP-El Salvador. Other areas for decentralization will be examined, and the Belize support mechanism in El Salvador will be continued. Programme oversight, management and evaluation will be provided by UNDP, through its participation on Project Steering Committees, National Committees, Councils or Commissions and UNDP internal mechanisms for review and evaluation such as the tripartite review and annual evaluations. Annual meetings of all UNDP project managers will be held to contribute towards assessment of overall programme impact, and selected evaluation of projects will take place. More emphasis will be placed on efficiency and effectiveness in financial disbursements and international procurement. The re-profiling of the office in Belize for an Assistant Resident Representative as well as a Programme Officer has been received well by the Government of Belize.

### United Nations system coordination

46. Collaboration among the United Nations Children's Fund, the World Health Organization and UNDP has been strengthened with the establishment of a United Nations House in Belize's capital City, Belmopan. Administrative services and communications are better coordinated as a result. The critical nature of some national issues such as HIV/AIDS, disaster management and poverty elimination, has also provided an opportunity for increased inter-agency coordination through the various theme groups. The current CCA exercise and the subsequent aligning of country cooperation cycles in 2002 will provide the space for increased coordination and collaboration among UNICEF, the World Health Organization and UNDP.

# Annex

## Resource mobilization target table for Belize (2002-2006)

| *Source* | *Amount (In thousands of United States dollars)* | *Comments* |
|---|---|---|
| **UNDP regular resources** | | |
| Estimated carry-over | -14 | Includes carry-over of TRACT1.1.1, TRAC 11112 and the earlier AOS allocations. |
| TRAC 1.1.1 | 81 | Assigned immediately to country. |
| TRAC 1.1.2 | 0 to 100 per cent of TRAC 1.1.1 | This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources. |
| TRAC 1.1.3 | 100 | |
| SPPD/STS | 0 | |
| **Subtotal** | **167**[a] | |
| **UNDP other resources** | | |
| Government cost-sharing | 150 | |
| Third-party cost-sharing | 540 | |
| Funds, trust funds and other | 4 752 | |
| **Subtotal** | **5 442** | |
| **Grand total** | **5 60**[a] | |

[a] Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: TRAC = target for resource assignment from the core; SPPD = support for policy and programme development; STS =support for technical services; and TRAC = target for resource assignment from the core.